



## CITY OF GREENVILLE

### HISTORIC PRESERVATION LOAN PILOT PROGRAM

~ Revised: April 2011 ~

#### INTRODUCTION:

The architectural quality of Greenville's College View Historic District (CVHD) and Locally Designated Landmarks is important to the entire city, its history, image, and economy. Proper improvements to the exterior appearances of individual structures will help develop the appropriate image and foster revitalization. Therefore, it is important that an organized and coordinated approach to exterior improvements be followed.

The City of Greenville has developed the following guidelines to provide a coordinated approach to property owners involved in exterior improvements or rehabilitations of residential homes and contributing outbuildings in the CVHD and Locally Designated Landmarks. The guidelines will be used by Community Development Department staff to evaluate loan applications. Applicants who follow the guidelines can ensure that their projects are eligible to utilize available rehabilitation incentives. This loan program is available to eligible property owners within the bounds of the target areas highlighted in the maps on the following pages.

The HISTORIC PRESERVATION LOAN PILOT PROGRAM is an opportunity to obtain interest-free loans for properties within the CVHD and Locally Designated Landmarks. Applications will be considered on the basis of program fund availability and compliance with the Design Guidelines. Residential, commercial, and non-profit entities are eligible to participate in this program.

Applications will be accepted during two cycles, one in the spring, and one in the fall. There will be a workshop prior to each cycle with notice made to property owners. Loan funds will be split between the two cycles. Any excess funds from the first cycle will carry over to the second cycle. Applications will receive consideration as long as funds are available. Loan cycles follow the City's fiscal year, which runs from July 1 to June 30.

#### PURPOSE:

The purpose of the **HISTORIC PRESERVATION LOAN PILOT PROJECT** is to provide an economic incentive to:

- 1) Complete substantial renovations to structures within the CVHD and for Locally Designated Landmarks ("structure" is defined as "the principal structure/home, or contributing out building such as garage"; first priority will be given to the street fronts of structures) and; significant structural element of grounds such as: fences, walls, and driveways.
- 2) Encourage good design projects that capitalize on rehabilitation of the original fabric or design of existing properties; and
- 3) Preserve the unique character of Greenville's CVHD and Locally Designated Landmarks.



# HISTORIC PRESERVATION LOAN PILOT PROJECT: ELIGIBLE AREAS



## ELIGIBILITY:

- 1) Any owner of a property within the described target area is eligible for the Historic Preservation loan program.
- 2) All rehabilitation design proposals will:
  - meet code requirements of the City of Greenville
  - meet construction and material guidelines established by the Community Development Department and adhere to the U.S. Secretary of the Interior's Standards for Rehabilitation (see below for eligible and ineligible activities; the design guidelines and standards can be found at the end of this program description).
- 3) Any exterior renovation proposal—from an entire exterior rehabilitation to maintenance items, such as repainting or the replacement of building parts--is eligible for funding, but top priority will be given to projects that would make a highly visible contribution to the enhancement of the district/landmark property. Simple sign changes are not eligible.

Examples of projects eligible for funding include:

- a) Repair/replacement of wooden fascia
- b) Painting
- c) Repair/replacement of non-historic doors and/or windows
- d) Repointing of brick
- e) Structural repairs (porches, columns, etc)
- f) Authentic reconstruction and replacement of original architectural details
- g) Cleaning of brick exterior (chemical stripping, water wash, scraping)
- h) Replacement, or initial installation of historically contributing roofs. Prospective applicants should contact city staff for guidance and additional information related to historically contributing roofs.

Note: Please see City of Greenville Historic Preservation and Local landmark Design Guidelines for detailed information:

[http://www.greenvillenc.gov/departments/community\\_development/information/default.aspx?id=1575](http://www.greenvillenc.gov/departments/community_development/information/default.aspx?id=1575)

Examples of projects that cannot be funded, either in whole or part by the loan program:

- a) Installation of vinyl replacement windows
  - b) Installation of modern siding materials such as vinyl or fiber-cement
  - c) Sandblasting of exterior bricks, which causes them to deteriorate;
  - d) Removal of historic features; and
- Repair, replacement, or initial installation of non-contributing roofing materials
- 4) City/county taxes for a building where loan funds are requested cannot be delinquent. For any building with delinquent city/county taxes for any years prior to the loan cycle year, the owner(s) must attach a receipt to show ad valorem taxes are current or must attach a copy of the work-out agreement with the Pitt County Tax Collector's Office.<sup>1</sup>

- 5) Commercial and non-commercial entities (income-producing and residential/owner occupied) are eligible to participate in this program.

## **FUNDING:**

Five to ten year interest-free loans are available for eligible properties in an amount up to \$10,000.00. Depending on the availability of funds, the maximum loan that may be awarded per property is \$10,000. The minimum loan that may be requested per property is \$2,500.

Loans up to \$6,000 will be allowed a maximum repayment period of 5 yrs. Loans between \$6001.00 and \$10,000.00 may be amortized over 10 yrs.

Loan payments will be due on the first day of the month. A late payment fee of \$15.00 will be assessed after the loan becomes 10 days overdue. Loans may be prepaid without penalty. In the event the loan payment becomes 90 days overdue, the City of Greenville will take action for collection of delinquent loans.

## **PROCESS FOR RECEIVING LOAN:**

- 1) Applicant must attend a Loan Workshop sponsored by the Community Development Department. Workshops will be scheduled to coincide with each loan cycle. The applicant is encouraged to seek the services of the State Historic Preservation Office (SHPO), including restoration consultations, before an application is completed and designs are formulated. The office is located at 117 West Fifth Street, Greenville, North Carolina. Appointments are recommended and can be arranged by calling (252) 830-6580. <http://www.hpo.ncdcr.gov/tchome.htm>
- 2) Property owner completes application (consent of mortgage holder or lien holder may be required) and returns it to the Historic Preservation Loan Coordinator. Applicant must also complete and sign the IRS W-9 and other financial forms attached to the application.
- 3) A deed of trust and promissory note will be recorded for the dollar amount loaned. A title search will be performed on the property prior to loan commitment. The city will take 2<sup>nd</sup> or 3<sup>rd</sup> lien position (principal mortgage and/or equity line being 2<sup>nd</sup>). A credit report will be required prior to loan awards, and only applicants with acceptable credit history will be considered.
- 4) Two professional estimates on cost, picture of the façade, a diagram and a paragraph illustrating the proposed work are to be included with the application.
- 5) Applications will be reviewed by staff of the Community Development Department to ensure completeness. The Design Review Committee of the Historic Preservation Commission (HPC) will review all applications and make recommendations to the HPC. The entire HPC will make recommendations for the applications. Those applications will be forwarded to the City Manager's Office for final approval or denial. The improvements must adhere to the Design Guidelines noted above and the Secretary of

## Interior Standards.

- 6) A notification letter will be sent to applicants concerning the approval or denial of the application. A contract form will be included with the approval letter. Applicants have 30 days from the date of the contract to apply for a building permit or have a plan in the Site Plan Review process, if required, for the approved work. Applicants must provide a copy of their building permit to the Community Development Department. Loan applications should include an application(s) for a Certificate of Appropriateness (COA) or a Minor Work Certificate of Appropriateness (MWCOA). COA's and MWCOA's are required for any type of exterior work within the CVHD or on Locally Designated Landmarks. The Design Guidelines provide a list of exterior work that qualifies as a MWCOA. If the proposed loan work is not listed as a MWCOA, a COA is required. [http://www.greenvillenc.gov/departments/community\\_development/information/default.aspx?id=1575](http://www.greenvillenc.gov/departments/community_development/information/default.aspx?id=1575)
- 7) Loan contracts must be signed **BEFORE** any work begins.
- 8) All approved work must be completed within twelve (12) months of the contract date. Failure to meet this date may result in the immediate repayment of the loan.
- 9) The Historic Preservation Loan Coordinator (Community Development Department staff) and the SHPO staff (upon request) will inspect work completed.
- 10) A residence or qualified structure may have no more than one (1) loan award outstanding at any one time.
- 11) Loan recipients will be required to pay an application fee prior to loan closing amounting to the cost of the deed of trust and promissory note preparation, deed recordation, and credit report.

## REQUESTING AN EXTENSION:

- 1) Applicants may be granted an extension, upon written request, if they have a compelling reason(s) based on extenuating circumstances for why they were unable to complete the work within the contracted period. Upon transfer of a property, the new property owner is eligible to assume an *active* loan award attached to that property, upon written request indicating that said property owner understands the terms of the loan contract and will assume any responsibilities pertaining therein. Transfer of ownership of a property is not sufficient grounds, by itself, for an extension to be granted; if the previous owner failed to complete the work within the contracted period and the new property or business owner cannot provide a compelling reason(s) based on extenuating circumstances for why the work was not completed, an extension will not be granted. However, the new property owner would be encouraged to resubmit a loan proposal.
- 2) In the event that an application is granted an extension, the property associated with that application will be considered to have received a loan award in the same loan cycle in which the extension was granted for purposes of determining whether a property is eligible for additional future loans.

## **HISTORIC PRESERVATION IMPROVEMENT DESIGN GUIDELINES:**

The following standards are to be applied to specific rehabilitation projects in a reasonable manner, taking into consideration economic and technical feasibility.

### **City of Greenville Historic Preservation and Local Landmark Design Guidelines:**

[http://www.greenvillenc.gov/departments/community\\_development/information/default.aspx?id=1575](http://www.greenvillenc.gov/departments/community_development/information/default.aspx?id=1575)

### **The Secretary of the Interior's Standards for Rehabilitation:**

[http://www.nps.gov/history/local-law/arch\\_stnds\\_8\\_2.htm](http://www.nps.gov/history/local-law/arch_stnds_8_2.htm)

## **LOAN FUND AVAILABILITY NOTIFICATION:**

Upon City Council approval, an advertisement will be placed in the City Page of The Daily Reflector, and fliers or postcards will be distributed to residences and businesses within the loan area and local landmarks to notify potential recipients that loan funds are available.